Business Council

NORDIC TOUR

May - 22, 1986

# REPORT OF THE NORTHWEST TERRITORIES BUSINESS COUNCIL

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NWT
Business Council

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October 1, 1986

Hon. Tagak Curley
Minister, Economic Development
& Tourism
Government of the NWT

Hon. Red Pederson
Minister of Renewable Resources
Government of the NWT

Dear Sirs:

It is my pleasure to transmit to you the report of the NWT Business Council prepared following our tour of the Nordic countries in May of this year.

The report chronicles our journey and presents in brief our conclusions and recommendations. A series of annexes and a photographic album also constitute part of the report.

While it is difficult to compare some of the economic circumstances we found in the Nordic region with our own, clearly there are important policy matters and business initiatives which might be adapted to northern Canada. Certainly the NWT Business Council intends to do its part in further exploring the applicability of the Nordic approach to economic stimulation and we urge the Government of the Northwest Territories to do the same.

Yours truly,

J.H. Robertson
Co-Chairman

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## BACKGROUND

The Northwest Territories Business Council has the mandate of considering and making recommendations to the Minister of Economic Development and Tourism on matters affecting the Northwest Territories economy. Since its inception two years ago, the Council has considered a variety of business problems and policy questions and has rendered its opinion to the Government of the Northwest Territories. By and large, the questions considered have been intra-territorial in nature. Until the Nordic Tour occurred, the Business Council had not assessed in any detail the initiatives taken in jurisdictions outside of the Northwest Territories to stimulate economic growth.

In discussions with Business Council members over a period of months, the Honourable Tagak Curley has urged the Council to begin to consider longer range issues respecting our economy - matters which northerners must address to develop their economy into the next century. Mr. Curley has also encouraged the Council to think about how global and international issues such as free trade might bear on our situation in the North and further, that we attempt to identify opportunities that the N.W.T. can exploit in this new trade environment. There has been a general feeling in both the government and in the Business Council that many of the known business opportunities and attendant policy initiatives on the part of the government have been already attempted or are in planning. There is a need to bring fresh thinking in to the equation.

All of these factors led to the N.W.T. Business Council and the Government of the Northwest Territories concluding that a visit abroad to countries with similar characteristics to northern Canada should be undertaken. After considerable debate, a conclusion was reached that the northern parts of the Nordic countries - Finland, Sweden and Norway might provide fruitful material to investigate. Planning towards such a trip commenced early in 1986. The Department of External Affairs in Ottawa was heavily involved in co-ordinating the arrangements and selecting destinations for the travelling party. The focus of the trip was to be the study of small-scale northern economic activities, based on the use of local resources. An equally important function was to examine the range of government programs offered by the Nordic countries related to business assistance and economic development.

## TRAVELLING PARTY

A delegation of fifteen people from the Northwest Territories was selected to make the visit to the three Nordic countries. The delegation was headed by the Honourable Tagak Curley, Minister of Economic Development and Tourism and the Honourable Red Pedersen, Minister of Renewable Resources. Members of the Business Council taking part in the tour were Mr. Jim Robertson, Chairman, Inuvik; Ms. Marion LaVigne, Yellowknife; Mr. Don Fergusson, Hay River; Mr. John Manton, Fort Smith; Mr. Jacques Belleau, Frobisher Bay; Mr. Andrew Clark, Yellowknife; and Mr. B. James Britton, Secretary to the Council.

Representatives of three Native Corporations also took part in the tour: Mr. John Hickes, President, Nunasi Corporation; Mr. James Wahshee, President and Chairman, Denendeh Development Corporation; Mr. Roland Bailey, President, N.W.T. Metis Development Corporation. Accompanying Minister Curley was Deputy Minister of Economic Development, Mr. Michael Stilwell and Executive Assistant, Rosemarie Karnes. Accompanying Minister Pedersen was Baffin Regional Superintendent of Renewable Resources, Mr. Robert Wooley.

## ITINERARY

### FINLAND

Delegates arrived via London at Helsinki at 11:00 p.m. on the evening of May 12th. There they were met by the Canadian Ambassador to Finland, Mr. Ross Francis. The Delegation spent the night at the Airport Hotel and rested up following the loss of nine hours due to time changes enroute.

### ROVANIEMI

In the early morning of Tuesday, May 13th, the party flew to Rovaniemi, the Capital of Finnish Lapland. Rovaniemi is a bustling modern administrative, commercial and tourist center of about 32,000 inhabitants. It is approximately 20 km south of the Arctic Circle on the confluence of the Kemijoki and Ounasjoki rivers. Rovaniemi area is the main economic area of middle Lapland. Over half of the population makes their living from tourism and other service industries. The traditional agricultural, forest and reindeer economy have developed in harmony with other business interests.

Rovaniemi has very good road, rail and air connections. Recently it was connected by means of the Great Arctic Highway to northern Norway and by the North Kalotte Highway to northern Sweden.

The climate in Rovaniemi appears to be similar to the southwestern corner of the Northwest Territories, experiencing temperatures as low as minus thirty degrees celcius in mid-winter and experiencing summertime highs in the plus 30 range. The climate is moderated somewhat by the warm water currents of the Gulf Stream.

GOVERNOR OF LAPPI PROVINCE

In the mid-morning, the delegation received a presentation from the Government of Lappi Province. The Governor of Lappi Province, Mr. Asko Olnas welcomed us and described the local political situation and the economy. The delegation learned that Lapland consists of one third of Finland in geographic terms but only some 200,000 people. The town was completely destroyed by German soldiers towards the end of World War II. A major reconstruction effort was necessary for several years following the war.

The population increased rapidly until the 1960's when serious unemployment caused it to decrease. There was a significant migration of people from Lapland to Southern Finland and Sweden. The level of unemployment in Lapland presently is 14% as opposed to 6% in Finland as a whole. The situation in recent years has improved somewhat and some of those who left Lapland have begun to return.

The economy of Finland and Canada have much in common. 20% of the gross national product in Finland is attributable to manufacturing; as compared to some 18% in Canada. 28% of the national wealth is derived from the service economy as opposed to 31% in Canada. 10% of Fins are involved in construction compared to 5% in Canada. 13% are in agriculture and forestry compared to 5% in Canada. The per-capita gross national product of Finland is $10,870.00 compared to $11,300.00 in Canada.

Lapland, like northern Canada, has considerably less manufacturing and secondary industry. A strong effort has been made by government agencies to try to develop small and medium industry in Lapland. In the last ten years, at least partly as a result of government initiative, the number of small and medium sized companies operating in Lapland has increased from 500 to 2,000. This reality largely has caused the return of people who immigrated from the region in the 1960's and early 1970's.

REGIONAL DEVELOPMENT FUND OF FINLAND (KERA)

The delegation then heard a presentation from Mr. Seppo Kynsilehto, a corporate analyst with KERA. KERA is the Regional Development Fund of Finland, a government funded corporation founded in 1971 with the function of financing enterprises located in the developing parts of Finland. Finland is divided into four zones, three of which qualify for varying levels of development support. The northern and easternmost parts of the country are in the development zone entitled to the largest portion of the financial assistance available through KERA. KERA provides assistance in the form of

loans, cash grants, share capital investments and guarantees towards the establishment of new business and business expansion, industrial parks and municipally constructed industrial premises.

In addition, the fund finances research and development, product and process development, marketing, training and consulting. Particular emphasis is placed on the activities of small and medium sized business. The terms of reference and annual report for KERA for 1984 is found in Annex A.

In relation to northern Canadian standards, KERA is a very large financial entity having an asset base of some $2,616,000,000 Finnish Marks or $500,000,000.00 Canadian. On the other hand, it is deployed in varying degrees of priority in 90% of the country-side. It is difficult to make comparisons on a per-capita basis with the situation here. However, a number of approaches are taken from which we might learn. First, the establishment of priority zones for economic development is an interesting concept. Second, the ability of KERA to purchase shares of new enterprises is worthy of further study. Third, the ability of KERA to guarantee loans and to borrow funds for reinvestment levers up limited government capital. Another lesson that could be learned from KERA, we believe, is the practice of evaluating investments in relation to the jobs actually created. KERA has an assessment program to determine exactly how many long term jobs are created as a result of its investments in companies.

Following the presentation from KERA, the delegation heard brief presentations from the Ministry of Industry and Trade and the Finnish Tourism Board.

The delegation then attended a lunch hosted by the Governor and the Mayor of Rovaniemi.

MARTTIINI STEEL

In the afternoon the delegation toured two plants owned by Marttiini Steel Company. The first was a medium sized factory devoted to the production of specialized forestry equipment. The factory essentially modifies heavy equipment to forestry applications. For example equipment is adapted and fitted with special machinery for delimbing, measuring, cutting and sorting trees. Equipment for log handling, bunching and sorting is also manufactured as well as machinery for removing stumps and so forth.

The delegation was surprized at the presence of a manufacturer of this type in such a northern region. While there is an important forest industry in the area, much of the equipment is exported into more southern parts of Europe and even into North America. Some of the equipment is used in Canada. The factory is not a very technical operation and did not appear to possess highly sophisticated machinery nor an extraordinarily skilled workforce. However, it was clear that substantial engineering support was present in the firm to enable the custom design of equipment which could be fabricated in this relatively modest plant. It was clear, however, that a large degree of mechanisation and high quality output was necessary for this manufacturer to survive and prosper in this remote northern location. Further details on the Marttiini Steel factory are found in Annex B.

MARTTIINI KNIVES

Subsequent to the tour of the equipment fabrication factory, the delegation was treated to a tour of the Marttiini Knife factory. This factory produces knives in the Lappi style using modern methods. The knives are of an extremely fine quality and range from an adaptation of the Puukko or Lappi outdoor knife to general purpose kitchen knives for carving, cutting or chopping. The knives feature a very good quality of chrome steel with a hand ground edge. The handles are very hard and are manufactured of the local rare curly birch. Beautiful sheaths for the knives are sold and these are in the style of the Lappi people.

While this factory produces 5,000 knives per day and has a variety of sophisticated machines, the delegation was clearly of the view that an industry of this type would work in the Northwest Territories. A very winning combination seemed to be present in the Marttiini Knife factory - a blend of local materials and customs coupled with the best that modern technology can produce all tied together in an atmosphere of the highest quality. Marttiini Knives have gained international acceptance and are treasured in various markets from the souvenir market, to the hunter to the five star chef. The industry produces a product that is small and portable, that is unique and that has a very broad market.

SANTA CLAUS VILLAGE

Following a brief driving tour of the Town of Rovaniemi, the delegation was hosted at a tourist attraction with the unlikely name of the "Santa Claus

Village". The delegation was joined at the Santa Claus Village over cocktails with the Nordic Kalott Committee - an organization of Ministers responsible for the northern parts of the three Nordic countries, who happened to be meeting in Rovaniemi at the time of our visit.

Following pleasantries, the delegation toured Santa Claus Land and was surprised to discover a large and beautifully organized tourist attraction built around the Santa Claus theme. A very interesting and architectural series of buildings have been constructed using public funds at Santa Claus Land. There is a beautiful log craft shop and restaurant. Nearby is a large structure filled with small boutiques which produce and sell various local handicraft items to the tourists who visit there. St. Nick himself is resident in this building complete with white beard and red clothes. The children can sign their name in his book and in due course they will receive personalized letters from Santa Claus himself. Behind the main building was another beautifully prepared attraction featuring transportation in northern areas including the use of dirigibles and detailing some of the exploits of Amundsen.

The City of Rovaniemi tourism manager, Mr. Esa Peltonen, hosted us on this part of the tour. Mr. Peltonen explained that the Santa Claus Village represented a serious attempt to create a tourism industry in the City of Rovaniemi. Apparently the results have been very gratifying. The delegation was impressed with how a commitment to public infrastructure of this kind can provide the central focus of a tourism industry where none in the past had existed. Certainly there is very little evidence in Canada of equal investments in remote parts of the country in tourism infrastructure.

NORDIC COUNCIL OF MINISTERS

The day ended with a dinner hosted by the City of Rovaniemi. Guests at the dinner included the representatives of the Nordic Kalott Committee and the N.W.T. delegation. This forum provided the first of several opportunities for the delegation to learn of the important work of the Nordic Kalott Committee which is otherwise known as the Nordic Council of Ministers.

This is an international body comprised of so called "co-operation Ministers" - Ministers from each of the Nordic countries, each possessing responsibility for Nordic questions. The Nordic Council is an organ for co-operation between the parliaments and governments of the Nordic countries. The Council was founded in 1952 with Denmark, Iceland, Norway and Sweden as members. Finland joined in 1955 and the self governing territories of the Faroe Islands and the Aland Islands secured their own representation in 1970. After 1984, Greenland was permitted to send its own representatives.

The Nordic Council of Ministers has the purpose of promoting cultural, social and economic welfare in the Nordic countries. The organization finds its origins in the Helsinki Agreement. A variety of subsequent conventions have been agreed upon to for co-operation in the areas of transportation, communication, environmental protection, local border co-operation, and co-operation for development aid.

The Nordic Council of Ministers and its related Secretariats possess a wealth of knowledge about Arctic development from which we could benefit. While it may not be possible for the Northwest Territories to participate directly in the Nordic Council of Ministers, all of the delegation was impressed by the possibility of some form of collaboration. From the point of view of government information and planning, it is hard to imagine a more useful affiliation than with the Nordic Council of Ministers. For further information concerning the Nordic Council, please refer to Annex E.

The second day in Rovaniemi began with a tour of Lauris workshop, a small jewellry and handicraft manufacturing concern and retail outlet. Delegation members were particularly interested with the art and handicraft items produced from reindeer antler. The workshop produces a variety of beautifully carved spoons made from reindeer antler. Reindeer antler and bone is also used in a wide variety of other decorative purposes such as on the handles of wooden bowls. Samples of this work were obtained for the inspection of the N.W.T. artisans.

Later the delegation toured the Lappi Provincial Museum where a variety of artifacts and information specific to the Lappi people was observed.

REINDEER SLAUGHTER-HOUSE

Late in the morning, the delegation toured Poro Ja Riista Oy, a very large reindeer production plant on the outskirts of Rovaniemi. Here we were hosted by Mr. Risto Sarala, Managing Director of the company which distributes reindeer meat products under the Lapporo product name.

Lappora is a producer owned co-operative of the Lappi reindeer herders. Its object is to arrange the distribution and marketing of reindeer meat as efficiently as possible and to make every effort to ensure a fair production price for the reindeer herders.

The company manufactures high quality reindeer meat products for the consumer ranging from cold smoked roast reindeer, stewing meat, sun dried reindeer meat, frozen and smoked tongues, etc. It also produces and markets high quality reindeer skins for ornamental use.

The delegation was struck with the size and sophistication of the facility. The plant slaughters and processes almost 50,000 reindeer per year. It is the receiving point for reindeer from 56 producing communities. Its production represents 50% of the market share for reindeer meat in Finland.

The company has 50 full time employees and more during the time that slaughtering occurs. Reindeer are slaughtered in the months of October and November when the condition of the meat is at its best. The animals are gutted and skinned and the carcasses are stockpiled for butchering on a year round basis. The operation is fully inspected by government veterinarians and is professional in every sense of the term.

The reindeer herders receive about 30 Finnish Marks per kilogram (approximately $6.00 per kilo). This is considerably higher than what producers of pork and beef receive. There are some 4,000 Lappis who produce reindeer that is brought into this plant. All parts of the reindeer are used. Tanned furs are distributed as decorative and souvenier items. Apparently as many as 5,000 per year are shipped to Canada! Antlers are used in decorative work and jewellry work and a large quantity is shipped to Asia in pieces. This trade produces 50 Marks ($11.00) per kilogram. 70% of the reindeer meat production is consumed in the domestic market and the balance is exported prinicipally to Denmark, Sweden, Norway and Belgium. The major products are cold smoked steak, sliced meat, dried meat and filet.

The delegation was taken with the possibilities of reindeer production on the scale undertaken in this plant. Apparently 1% of the total meat consumed in Finland is reindeer meat hence there is a very substantial market. For more information on Lapporo please see Annex F.

**SWEDEN**

NORRFRYS

Following lunch, the delegation departed from Rovaniemi towards the Swedish border. The seven hour bus journey to our destination at Skelleftea was broken up with a stop over on the Swedish side of the border at a community called Haparanda. There the delegation was hosted by Norrfrys, a company involved in the production and export of frozen berries, frozen meats, etc. The delegation toured Norrfrys central plant, which regrettably was finished their production for the day. Norrfrys is a very large producer of northern berries. Thousands of tons of Cloud Berries, Lingon Berries, Blueberries are received, cleaned, packaged and processed in this plant. The delegation members were surprised by the degree of mechanization in the plant. Berries are sorted electronically by color and size.

We learned that during the berry production season in summer and autumn, literally thousands of experienced people go into the forests in northern Sweden and Finland to pick berries. These are taken to distribution centers and in turn are transported to Norrfrys central plant at Haparanda for cleaning and processing. Berries are frozen and are delivered to customers in bulk cartons or in small packages depending upon requirements.

While the delegation found this operation to be highly interesting and impressive in its technological applications, we could find very little that could be applied to northern Canada. There is simply not the quantity of wild berries in northern Canada to justify an operation of this scope.

Through a company known as Polarica, Norrfrys is also involved in processing a wide range of game products. The principal meat processed is reindeer, however, we were surprised to learn that a very significant number of moose also contribute to the production of this facility. Moose apparently are highly abundant in northern Sweden and Finland and in fact are a pest to the forest industry and a considerable hazard to motorists. As a result there is an intensive hunt of moose and many of the animals when killed are brought to this factory for production and distribution. Several of the other wild meats such as bear, rabbits and wild birds are processed in this facility.

Apparently a very good speciality market exists in the Scandanavian countries. Like the berry processing facility, this factory featured a very sophisticated approach to processing, packaging and distributing wild meats. Individuals from this company are felt to be a potential resource to companies or organizations in northern Canada that wish to get into the production and distribution of wild products. For more information on Norrfrys please refer to Annex G.

The remainder of Wednesday May 14th, was spent in transit to Skelleftea.

SKELLEFTEA

JOERNTRA LUMBER

The morning of May 15th, the party was divided into small groups. One small group travelled to Joern, a small village 65 kilometers from Skelleftea to observe the factories of Joerntra AB, a very large family-owned sawmill. The plant produces an annual output of saw and timber, mainly pine, totalling approximately 40,000 cubic metres both for the export and domestic market. The area in Sweden in which the plant is located, being near the Arctic Circle, features trees which grow very slowly. These produce a very high grade of timber suited to a variety of applications including the manufacturing of furniture.

Joerntra was a highly sophisicated, computerized operation. We were very surprised that a family-run business would have equipment of the kind that it did. The sophisication and the level of production are generally equalled only in Canada by very large corporations.

One of the significant aspects of the Joerntra tour was the effort on the part of this company to diversify from lumber production into the production of finished goods. At the time of our visit, the company was aggressively moving into the production of panabode-type vacation homes and into a very extensive line of packaged homes. The emphasis on not only producing and processing raw materials but bringing them to the finished stage, is something that we could learn not only in northern Canada but in southern Canada as well. For further information on the Joerntra operation, please refer to the materials in Annex H.

SAFAC FURNITURE

The delegation then visited a small plant owned by Safac Corporation which is a large diversified company producing products ranging from furniture to hunting clothing. This Safac plant produces components of a beautiful pine furniture that apparently is treasured particularly in the German marketplace. The pine furniture is of an exceptionally high quality and also bears astonishing price tags. The factory which we visited was occupied with the production of table tops and other components of this furniture. Particularly noteworthy was the fact that most of the workforce in this factory was physically or mentally handicapped. Apparently a program exists in Sweden whereby the wages of handicapped people are very substantially subsidized by the State. It is a corporate philosophy of Safac to employ as many handicapped people as possible. Evidently this has been done with great success and also with an unyielding commitment to quality. For further information on Safac furniture, please refer to Annex I.

NORVAG

A second small group from the Delegation visited Norvag, a company in Bygdsiljum, a small village 50 kilometers from Skelleftea. Norvag is involved in the manufacturing of modular buildings. Further information on this product is found in Annex J.

MANUFACTURERS PRODUCTS

A variety of other manufacturing concerns were visited in the morning including a specialized type of polyester garage door that certainly has

application in Arctic Canada. Companies producing dry kilns, tools, and computerized production equipment were also visited. Details are found in Annex K.

The delegation was then hosted for lunch by Minister Bernt Carlsson, Mr. Carlsson understandably was a wealth of information about the Swedish economy and was good enough to accompany us for the balance of our time travelling in Sweden.

A few words should now be said about Skelleftea. Skelleftea, which is at 65°N Latitude, refers to itself as an "industrial island" in northern Sweden and that it truly is. The level and diversity of industry in this community of 75,000 is nothing short of astonishing. The original industry in the town was the Boliden goldmine. However, a wide variety of secondary industry has developed over the years. Skelleftea now is one of the major manufacturing centres in all of Sweden. This is remarkable given the fact that it is hundreds of miles north of the major cities of Europe.

It is interesting to speculate on Skelleftea's remarkable industrial activity. Three central factors seem to have created the current scenario of prosperity:

1. Major investment was made in hydro-electric power in the area around the turn of the century.

2. Swedish national policy provides transportation subsidies that essentially equalize the cost of transportation.

3. There has been a very consistent effort on the part of business and government alike to move the economy from the production of primary products to secondary industry. The delegation was very impressed with the efforts in this direction by both government and industry.

In addition to the important industrial and mineral base of the Skelleftea area, tourism has become very important as well. For further information on this northern industrial city, please refer to Annex L.

EXPOLARIS

The delegation spent the afternoon at an organization called Expolaris. Expolaris is a cooperative organization started some twenty years ago by a number of companies operating in northern Sweden.

200 companies pooled funds and with some government assistance have established a marketing service for their products. Expolaris is situated in central Skelleftea. Facilities include highly professional exhibiting on local products and elaborate conference room space.

The organization employs several marketing consultants who assist clients with market surveys, advertising, sales advice, etc. A subsidiary called Expolaris International AB assists member companies to penetrate foreign markets. Typing and translation services are available at the Centre. Conference organizing and staging are among the services provided. Details are found in Annex M.

The delegation was most impressed with the co-operative commitment of business to this concept. Clearly, a sizeable financial commitment is necessary to support the organization and the massive (and expensive) physical plant in which it operates. While it is difficult for the casual observer to measure its success, one positive indicator is the fact that Skelleftea products have widely penetrated both the domestic and international marketplaces.

In the late afternoon of May 15th, the Northwest Territories Delegation hosted a reception in the Expolaris Conference Centre. The reception was also attended by many local business people and the Expolaris staff.

The evening of May 15th, the delegation was hosted in a lovely occasion by the Mayor of Skelleftea. Minister Curley and the Mayor exchanged words of cooperation and future collaboration. The possibility of developing an association with a community or group of communities in the Nordic countries was discussed once again. The Mayor of Skelleftea appears to welcome some further association with the N.W.T.

NORRBOTTEN

On Friday, May 16th, the party travelled by bus north from Skelleftea to the county of Norrbotten, the principal city of which is Lulea. In contrast to the situtation in Skelleftea, just a hundred miles south, the county of Norrbotten is experiencing difficult financial times.

The delegation was hosted in Lulea in the main office of the Governor. Regrettably the Governor was unable to join us in this session due to illness. We were briefed on the situation in Lulea by a number of officials involved in the county administration. We learned that Norrbotten has suffered significant out migration of people because of high unemployment. Norrbotten's economy, unlike Skelleftea, is not diversified relying on 6 or 7 primary industries. the area's economic life goes up and down with the business cycles of these concerns.

In Norrbotten, the delegation first became seriously exposed to Swedish subsidies. Sweden has a number of incentive programs in aid of business: incentive grants of up to 50% of capital investment; an extensive salary subsidy, that pays on a declining scale over 7 years a large subsidy for new jobs; a significant freight subsidy depending on the distance from markets; payroll tax deductions are reduced by 10% in the Norrbotten area. There is also significant government involvement in such matters as forest industry research, education in export sales, etc.

The county administration also provides loans to companies that to some extent have displaced the banking system. The transportation subsidy program provides virtually free transportation of groceries into Norrbotten.

REINDEER SUBSIDIES

We then heard a detailed and interesting presentation concerning the Sami. There are some 17,000 Sami in Sweden, 2,500 of which are reindeer herders. We learned of the extensive subsidy program available to reindeer herders. A

production subsidy amounting to $36 per reindeer is offered to every producer. So-called "rationalization support" is also offered in terms of providing fences and transportation equipment to the herders. A starvation subsidy program is available when feed is in short supply. A so-called "work subsidy" program is available to employ people working in slaughter houses, etc. Producers are subsidized for losses caused by wild animals to the extent of between $115 and $250 per animal. There is even a program to compensate producers for animals killed by trains and automobiles to the amount of $100 to $300 per animal. The total subsidy program on behalf of reindeer producers amounts to $5,000,000 Canadian per annum.

For further information concerning the county of Norrbotten, please refer to Annex N.

SWEDISH REGIONAL POLICY

In the briefing session in Norrbotten, the delegation also was informed about the Swedish Regional Policy. Like Finland, Sweden has been divided into development areas. Development zones are defined and according to the policy each are given differing amounts of assistance, the most of course being given to the areas of greatest need. By and large, the areas requiring the greatest assistance are in the northern parts of Sweden. The approach of defining development zones seems common to the Nordic countries. The Delegation is of the mind that given the inequities in the N.W.T. economy, the Government might consider such a regional policy here. Copies of the Swedish Regional Policy for 1982 and 1986 are found in Annex O.

Following lunch and a tour of the area, the Delegation departed Lulea for the community of Kiruna in the northern extreme of Sweden.

KIRUNA

Kiruna is Sweden's northern most municipality. Inhabited by 27,000 people, Kiruna is the site of rich iron ore deposits which lead to the establishment of the town. The town is heavily dependent on the iron ore industry with the economy tending to experience the ups and downs associated with a resource town in northern Canada.

Early on Saturday, May 17th, we were given a detailed briefing by the Mayor of the community, Mr. Esseling.

Mr. Esseling informed us that Kiruna was part of the Norrbotten County. He described the iron ore industry and its importance in the development in the town. A second iron ore deposit is in production at Sapa some 45 kilometers away. The ore from the two mines is taken by rail to Narvic in Norway for shipping abroad.

Several years ago Kiruna experienced a serious recession as a result of its inability to compete with iron ore produced in Brazil. Since then the mine has made a serious effort to produce specialty steels from its ore, and has now become competitive and, in fact, is very profitable at the moment. However, the community recognizes that it must diversify itself if it is to be

successful. Mr. Esseling detailed the aggressive program that has been developed to achieve this.

There is an active attempt to interest tourists in this area of northern Sweden apparently with some success. The Ferrum Hotel, a rather large and pleasant place, is a community investment in tourism-related infrastructure.

Mr. Esseling described other attempts to develop the northern Swedish economy. A few miles from Kiruna a sizeable rocket range and space research industry has been established. The community has attempted to attract small engineering industries to produce mining equipment. A factory producing trucks has been established here for the mining industry that exports all over the world including to Canada. A military regiment is present in Kiruna. The Nordkallot Road has done a lot to open up Kiruna to tourists and for industrial purposes.

All of the above measures have helped abate somewhat the shrinkage of the workforce at the iron mine from a high of 5,000 staff in 1975 to the present 2,000. However, there has been an overall attrition in population in Kiruna much to the concern of the municipality. The rate of unemployment in Kiruna is some 8% as compared to 2.5% in Sweden as a whole. [Note - Sweden has a variety of make-work and training projects that bring their overall rate of employment close to that present in Canada].

The municipality has also established the so-called Kiruna Project that has the goal of creating new jobs in the manufacturing and service sector and also provides marketing assistance to local business. Part of the Kiruna Project

is an entrepreneurial training program with a goal of establishing 15 new owner/operated enterprises each year. A so-called "House of Entrepreneurs" along the lines of the Expolaris Centre in Skellefteå has been created.

Kiruna has been declared an "enterprise zone" by the Swedish State which entitles new businesses to as much as 25% of their wages over a ten year period. The annual subsidy amounts to as much as $25,000 per employee in the first year apparently. Kiruna is the first such "enterprise zone" in Sweden.

Mr. Esseling provided us with his prerequisites for successful development. In Mr. Esseling's mind, a region must first have an industrial base, such as Kiruna has, which provides the necessary manpower and infrastructure for a business climate to occur. The people must be properly educated to fit into an industrial economy. There must be well developed communications. A research and development apparatus must be present as well.

Due to language and other difficulties, it was impossible to understand completely the nature of the economic experiment. Those concerned and Mr. Esseling, are very optimistic about the community's prospects in light of these initiatives. For further information concerning Kiruna, please refer to Annex P.

FISH BREEDING PROJECT

Following lunch, the delegation visited a fish breeding project operated by a private (though subsidized) business in the middle of the town. The fish breeding plant is a small family-run enterprise that brings fish from the egg stage to approximately two pounds. At this point, the fish are moved to other fish farms where they are raised to the table-ready stage.

The delegation was quite taken with the apparently minimal infrastructure that is needed for a fish farm of this type. Basically an old concrete building has been recycled for this purpose. It simply contains a large number of fiberglass tanks that house fish at various stages of growth. Obviously pain-staking care that must be taken to keep the farm in operation, however, one could easily imagine such a facility occurring in any number of northern communities.

Regrettably, no material was available on the fish farm and the language barrier made it somewhat difficult to obtain a detailed understanding of how the process worked.

GRINDING MACHINE FACTORY

The delegation then visited the CEO Factory which is in the business of producing electric grinders for tool sharpening purposes in industry. This once again was a family-owned business but was of fairly sizeable proportions. This plant was particularly noteworthy to the extent that it used industrial robots for almost all the stages of producing very high

quality grinders. The finished product is shipped to southern markets and exported.

The owner of the plant while acknowledging the necessity of transportation subsidies, was highly critical of government intervention in the economy - particularly with the bureaucracy associated with the game. This viewpoint was not widely expressed to the delegation during the trip but we suspect that the very positive views shared with us by officials may not be shared by the Nordic business people. The CEO factory was a case in point.

Notwithstanding the criticism of the owner, the delegation wa impressed with the fact that a combination of government subsidy plus individual enterprize could sustain such a sophisticated manufacturing industry of this type so far north.

The evening was spent in a very pleasant social occasion hosted by Mayor Esseling.

Sunday, May 18th, was spent in transit to Kautokino. A brief stop was made at a fox farm.

## NORWAY

### KAUTOKEINO

Kautokeino is a Sami village of 2,000 inhabitants. It is the centre of Norway's largest and most-thinly populated rural municipality. Half the workforce of the municipality have reindeer husbandry as an occupation.

Two hundred families own 60,000 reindeer. In the spring, the Sami follow their reindeer to their summer pasture on the east side of the Alta fiord. Aside from reindeer husbandry, occupations include agriculture, hunting, fishing and handicrafts. There is a reindeer slaughter house with a freezer plant, a Sami handicraft store and a silversmith. 47% of the people in the Kautokeino municipality work in the reindeer husbandry industry, 9% in industry and smaller numbers in forestry, transport and communications, and 28% in service trades. Kautokeino is at 69°N Latitude. The average temperature is -14°C in February and +13°C in July.

The delegation spent Monday, May 19th, involved in local tourist activities and participating in a fishing contest with a large group of Samis on a lake near the community. May 19th was a National Holiday in Norway.

The program started at 8:30 a.m. on Tuesday, May 20th, at the Sami Cultural Centre. The Sami Cultural Centre is a large building housing an organization with the object of preserving and enhancing the Sami language and culture. A rough equivalent would be the Inuit Cultural Institute at Eskimo Point in Canada.

At the Sami Cultural Centre we received extensive briefings from a number of Sami people involved in the institute.

There are many similarities between the situation of Native people in North America and those experienced in the Nordic countries. During the briefings, the Delegation was very impressed with the commitment expressed by the officials of the Centre towards the enhancement of the language and towards the development of suitable institutions of government for the Sami people. There is a strong movement in the Nordic countries for a Sami parliament to be created with limited powers of self-government. This concept was very widely supported by the briefing participants.

We received a briefing by the Municipality of Kautokeino on local development of the economy. Parts of the presentation were difficult to absorb, the proficiency of people in the English language was considerably less in Kautokeino area than we experienced in other places on the trip.

For futher information concerning the Kautokeino area, please refer to Annex Q.

Thereafter, the delegation visited Sami Duodji - a Sami handicraft distribution outlet in the centre of the town. Again we observed a wide variety of products that are produced by Sami artisans, particularly the unique method of Sami dress. Adjoining the handicraft store was a Sami Museum and the two taken together represent an important tourist attraction in this area. For further information concerning some of the products produced and sold through Sami Duodji, please refer to Annex R.

FISH FARM

Following a lunch hosted by the Municipality and the Cultural Centre, the delegation visited a unique fresh water fish farm on the outskirts of Kautokeino. Delegates were very impressed to see a small scale fish farming operation that could probably be replicated in many places in northern Canada. The fish farm was operated by a Sami farmer. The plant consisted of a small building floating in a back water of a small river. The building was perhaps thirty feet square and had to be reached by boat. Inside the building were four tanks consisting of nets submerged into the natural waters of the river. These kept captive four groups of fish at various stages of growth and development. The individual owning the fish farm was simply required to travel out by boat to this floating building on a daily basis to feed the fish. Mother Nature provided everything else that is needed.

This particular fish farm raised fish from the early stage of development to about two pounds. Thereafter they are shipped to the Norwegian seacoast where they are raised by other farmers in salt water conditions until they are table-ready. This was decidely a low-tech operation and appeared to all members of the delegation to be a type of operation that might be replicated in the N.W.T. if one could deal with the ice conditions. The river on which it is situated does freeze over in the winter time, but there is some reason to believe the depth of ice is not the same as we experience in northern waters.

REINDEER SLAUGHTER-HOUSE

That afternoon the delegation also visited another reindeer production facility. This facility was similar to the one observed in Rovaniemi but operated on a slightly smaller scale. Annual production was some 20,000 animals. Once again the delegation was extremely impressed with the professional way in which the product was produced and distributed. The plant represented a strong government commitment to the necessary infrastructure to support the reindeer husbandry industry. Like its counterpart in Finland, it was a producer owned co-operative. The economics of this reindeer factory seemed to be similar to those observed and noted upon at Rovaniemi.

LOW HEAD HYDRO

In the late afternoon, some of the delegates observed a low head hydro operation on a river near Kautokeino. This installation was installed some sixty years ago and presently provides supplementary power to the main grid supplying power to the area. At one time it was the major source of power for the Kautokeino area. The hydro facility was on a very small scale and delegates could see that it would be relatively easy to operate by local people. A small dam was part of this operation but there was some speculation that the dam would not be necessary to run the very small turbines present in this plant.

In the afternoon the party departed by bus for Alta and in the early evening caught a flight to Oslo.

OSLO

HYDRO TURBINES

Some of the delegation visited Kvaerner Industries in the early morning of May 21st. Kvaerner is a very large engineering and fabricating concern. The division of the company that we examined is exclusively involved in the production of turbines for hydro projects. We received a very detailed and informative briefing from the Managing Director of the company. We learned about the importance of the hydro industry in Norway and its role in playing a leading edge in hydro powered technology around the world. Kvaerner is certainly a part of this situation. It was evident following the discussions that hydro applications can be designed for virtually every type of water condition. A number of technical papers were received from Kvaerner which are found in Annex S. Importantly, Kvaerner provided us with the name of an eminent consultant in determining where hydro power can be used and by what methodology - Dr. Dagfin K. Lysne. A paper from Dr. Lynse concerning the methodology of establishing hydro plants is also in the Annex.

Perhaps the most important point that was made to us over the course of the morning of examining hydro power and the manufacture of turbines, was the reality that all economic activity is based on the ready availability of energy. This in fact has been the philosophy of much of the Nordic countries and is perhaps the largest single reason why an industrial infrastructure has developed there. It is clear that a technology exists to exploit the hydro power resources of the Northwest Territories and that we would do well to take a page out of their book in attempting to establish a hydro capacity in more northern communities.

SAMI RIGHTS COMMISSION

Following a lunch hosted by Kvaerner Industries, the delegation travelled to the offices of the Norwegian Sami Rights Commission. There we received a briefing from Dr. Arnison of the Department of Agriculture concerning such matters as the Reindeer Breeding Act of 1978. We understand that the Reindeer Breeding Act provides exclusive rights for the Sami people to be engaged in the reindeer husbandry business. Other aspects of the Agreement between government and the reindeer herders are found in this Act. The principal provisions are as follows.

Subsidies are provided for breeders, to offset the cost of slaughter houses, fences and the support of herder organizations. A second fund provides subsidies to the producer on a per head basis. The total amount of the reindeer subsidy virtually equals the value of the animal. However, Dr. Arnison was careful to point out that the industry would stand on its own right whether or not the subsidies were in place.

The importance of this industry to the Sami people was underlined by the fact that 30% of the income earned by Samis is as a result of the reindeer industry. Reindeer sports hunting is becoming a popular pursuit apparently in the Sami areas. A local board sets quotas and the land owner decides who may hunt on his properties.

We then were briefed by an official from the Sami Rights Committee who detailed some of the efforts on the part of the Sami people to obtain a greater level of self-government.

Apparently in 1979 a famous protest referred to as the "Alta Case" was a seminal event in bringing national attention to the plight of the Sami. A dam was planned near Alta in an area that would have effected reindeer herding and there was extensive civil disobedience on the part of the Sami people. This important event focused national attention on the area and resulted in an organization called the Sami Rights Committee being appointed to examine the situation. The result is a report on Sami Rights which is appended in Annex T. Many of the issues being addressed by the Sami Rights Commission have parrallels in northern Canada.

From an official point of view, the trip ended with a reception held in the home of the second in command to the Canadian Ambassador, Mr. Roger Lucy.

## CONCLUSIONS AND RECOMMENDATIONS

A tremendous quantity of information and fresh insights were obtained as a result of the Nordic Tour. A variety of contacts were made which may prove to be of assistance to northern business people and government in future economic planning in the Northwest Territories. The major short term result, in fact, was the broadening of the horizons for the business and government leaders on the trip. Knowledge itself was the most important commodity obtained.

A number of central conclusions can be reached from the Nordic visit.

1. ECONOMIC PLANNING IN THE NORDIC REGIONS

We have a great deal to learn in northern Canada on how to plan our economy and take steps to stimulate it. Nordic countries clearly have a much greater emphasis on the stimulation of new industry by government than we have in our predominently free market economy. The delegation was struck by the total commitment to the development of new industry. It appears to be a singular pre-occupation in the northern regions of the Nordic countries and takes second place to no other theme.

**Recommendation:**

**It is recommended that the Government of the Northwest Territories review Nordic economic planning and business development programs in detail to**

**determine if some of the methods and approaches employed have applicability here.**

2. INTERGOVERNMENTAL RELATIONSHIP WITH THE NORDIC COUNTRIES

The delegation finds it significant that a community of interest has been defined amongst the Nordic countries from Finland to Greenland. We are envious of the joint information sharing and problem solving that occurs in the Nordic Committee of Ministers. A wealth of economic information is available through the Council, much of which will have relevance to the northern situation.

**Recommendation:**

**The Government of the Northwest Territories and the Government of Canada should forge at least an informational link with the Nordic Council of Ministers. Further, the Minister of Economic Development and Tourism should be encouraged to pursue establishment of an association with the northern Swedish community of Skelleftea.**

3. REGIONAL DEVELOPMENT ZONES

The three Nordic countries visited all have created economic development zones - areas of their countries which have priority for economic development. The effort and resources associated with economic development in these countries is concentrated in the areas of highest need.

**Recommendation:**

**The Government of the Northwest Territories should consider designating certain parts of the Northwest Territories as economic development zones and consider developing an enhanced level of economic stimulation in the zones of most need.**

4. VEHICLES FOR ECONOMIC DEVELOPMENT

The Delegation was highly impressed with the organizational structure and approach of the Regional Development Fund of Finland Limited (KERA). Many of the roles carried out by the territorial Department of Economic Development and Tourism, the federal Department of Regional Industrial Expansion and EDA are contained within this one corporate body. As a corporation KERA is free of some of the constraints associated with government. This appears to have benefits in terms of its ability to support the development of new enterprises.

Importantly, KERA also has the capability to purchase shares of new enterprises as well as to provide loan and grant capital. A shortage of equity is a great concern to many new northern businesses. Some may be very interested in receiving equity investment from an organization similar to KERA.

KERA also has the capacity to guarantee loans and to borrow funds on the private market to invest in new enterprises. It measures its success

In relation to evaluated jobs created. All of these concepts are felt to have merit and should be examined from a policy point of view.

**Recommendation:**

**The Government of the Northwest Territories should study the Regional Development Fund of Finland Limited with a view to determining if a similar corporate structure might be effective in terms of enhancing economic development in the Northwest Territories.**

5. TRANSPORTATION

Land transportation infrastructure in the Nordic regions is much more highly developed than it is in Canada. The presence of roads well above the Arctic Circle makes it possible for business ventures to occur in these remote regions that could not be put in place in areas without highways.

**Recommendation:**

**The Government of the Northwest Territories should press the Government of Canada to make the development of roads into and within northern Canada a priority once again.**

## 6. TRANSPORTATION SUBSIDIES

The three Nordic countries all make a serious attempt to equalize the cost of transportation throughout the country. Thus it is possible for a manufacturing entity in northern Sweden to compete on a similar footing with an enterprise in Stockholm. This factor, perhaps as much as any, has helped to create an impressive record of achievement in light industry in the northern parts of the Nordic countries.

During the visit we were unable to place a cost on this transportation subsidy network nor to fully understand how it is administered.

**Recommendation:**

**The Government of the Northwest Territories should examine the various transportation subsidy programs in the Nordic countries with a view to determining the costs associated with them and determining whether similar measures could become a matter of public policy in the years ahead in northern Canada.**

## 7. MAKE-WORK INDUSTRIES

Preoccupation with creating jobs in the Nordic regions was evident to all on the Scandanavian visit. There is apparently a relatively low level of unemployment in many parts of the Nordic region - as low as 2.5%. However, a large proportion of residents in Nordic regions, as much as

10%, are engaged in extensive job training schemes and in various public works projects whose primary purpose is to generate employment. As a result of these measures, virtually no one is idle. While this level of activity is obviously heavily subsidized by the public purse, perhaps we have something to learn from the Nordic region in the way that it deals with the problem of unemployment.

**Recommendation:**

**Programs such as Unemployment Insurance and Social Welfare, to as great an extent as possible, should be re-directed in favour of providing training opportunities and subsidized work projects in the N.W.T.**

8. NORTHERN TOURISM

All of the regions that we visited in the Nordic countries that are less fortunate from an industrial point of view have mounted impressive programs to stimulate the tourism industry. The level of public investment in infrastructure and marketing far exceeds that which is common in the Northwest Territories.

**Recommendation:**

**Tourism should be targeted as potentially the most important primary industry in the Northwest Territories. A greater and more consistent effort should be made to develop and market our tourism products. A**

**greater commitment should be made by government to supporting investment in tourism infrastructure.**

9. PRODUCTION OF FINISHED GOODS

The Nordic dedication to job creation has inevitably lead to industries taking steps to bring the raw materials produced to a greater state of completion. We found this in several places visited - lumber producers were making manufactured homes, iron mines were producing specialty steel products, etc. The end result inevitably was a greater number of jobs being created near to home.

**Recommendation:**

**Industry and government should collaborate in defining measures to bring northern resource products to a higher state of completion than is occuring at present.**

10. ENGINEERING AND TECHNICAL INFRASTRUCTURE

All of the industrial areas visited in the Nordic countries had a significant body of technical and professional expertise present within them. The physical presence of engineers, architects and other technical people is essential to fully diversify the economy.

**Recommendation:**

Government programs such as EDA should feature measures to support the establishment of resident pools of technically trained personnel who can provide support to light industry.

## 11. PRODUCTION OF HIGH QUALITY PRODUCTS

The successful manufacturing industries in the Nordic countries share one common attribute - dedication to quality. In the delegation's view, quality is the competitive edge of the northern manufacturer. We witnessed a great many northern industries in which quality was the only competitive edge.

**Recommendation:**

**Northern businesses should dedicate themselves to producing specialty products of the highest possible quality to offset somewhat the locational disadvantages associated with being resident in the Northwest Territories.**

## 12. NORTHERN MANUFACTURING

It is clear that manufacturing can take place in areas of Canada that are distant from the market place. To enable this in the Nordic countries, some of the high costs of doing business are abated by government. New industries receive tax reductions, low cost land, and can house themselves in government-provided industrial estates.

**Recommendation:**

**Municipalities and the governments of the Northwest Territories and Canada should consider implementing programs to reduce the infrastructure costs experienced by manufacturing concerns. Programs to provide low-cost industrial land and industrial parks should be incorporated into business stimulation programs such as EDA.**

13. MARKETING NORTHERN PRODUCTS

The delegation was struck by the effective marketing efforts of Expolaris in Skelleftea. This showcase for northern products clearly has assisted northern manufacturing concerns to penetrate southern and export markets. A similar venture could assist the northern companies in penetrating the southern marketplace.

**Recommendation:**

**The northern business community, with the support of government, should consider establishing in an appropriate community a permanent trade fair for northern products and services. This venture should be jointly funded by industry and government.**

14. AQUACULTURE

It is evident that the fishing industry in the future will be based on fish farming. The advantages of fish farming are many - the possibility of supplying a fresh, high quality product; the ability to harvest fish

of a size and type desired by the marketplace; the ability to establish an industry with reasonably modest capital investment.

**Recommendation:**

**The two levels of government and the fishing industry should examine the Nordic aquaculture industry and the fledging industry in Canada with a view to determining where and how aquaculture pilot projects could be carried out in the Northwest Territories.**

15. REINDEER AND MUSKOX HUSBANDRY

The reindeer industry in the Nordic countries is far and away the largest employer of the indigenous people. As many as half of the Sami and Lappi people sustain themselves by participating in various aspects of the reindeer production industry. The Northwest Territories has vast range land available for husbandry purposes and a number of communities that may be interested in industry of this type. There is evidence to suggest that a strong market exists for products such as reindeer and muskox meat.

**Recommendation:**

**The native economic development corporations should be encouraged to investigate the possibility of establishing additional reindeer and muskox farming industries in northern locations. Government must be prepared to provide long-term support to such an industry in recognition that it could become a source of employment to many northerners.**

16. WAGE SUBSIDIES

The delegation admired the Nordic preoccupation with creating new jobs in secondary industries. Commitment to this concept was unwavering - even to the extent that the wages for new industries could be heavily subsidized for as long as seven years. Nordic manufacturers are also eligible for reduced payroll taxes. The two measures sizeably reduce the risk associated with establishing secondary industry.

**Recommendation:**

**The parties in the Governments of Canada and the N.W.T. should examine the wage subsidy and payroll tax programs of the Nordic countries with a view to creating similar incentives in the Northwest Territories.**

17. ENERGY

It was evident during the tour that the Nordic countries are benefitting from investments made in hydro power. There is a full understanding in the Nordic countries of the necessity for industry to have an abundance of inexpensive energy available to it. In contrast, in the Northwest Territories, energy is usually provided by expensive diesel processes. Without a fundamental change in this approach, it will be impossible for a northern industrial economy to develop.

The delegation's visit to Kvaerner Industries in Oslo suggest that many opportunities to exploit our hydro power resources are being ignored.

**Recommendation:**

**Northern Canada Power Commission should consider the hydro potential of all northern communities utilizing, if necessary, the considerable Norwegian expertise. An examination of this kind could be carried out at minimal expense using the services of the Norwegian Institute of Technology.**

## NORDIC TRIP REPORT

## SUPPLEMENTARY INFORMATION


| ANNEX | SUBJECT |
|---|---|
| A. | Regional Development Fund of Finland (KERA) |
| B. | Martiini Steel |
| C. | Martiini Knives |
| D. | Santa Claus Village |
| E. | Nordic Council of Ministers |
| F. | Reindeer Industry - Finland |
| G. | Norrfrys Berries & Meats |
| H. | Joentra Lumber |
| I. | Safac Furniture |
| J. | Norvag Arctic Buildings |
| K. | Skelleftea Industrial Projects |
| L. | Skelleftea |
| M. | Expolaris |
| N. | Norbotten County |
| O. | Swedish Regional Policy |
| P. | Kiruna |
| Q. | Kautokeino |
| R. | Sami Duodji |
| S. | Hydro Power |
| T. | Sami Rights |

## Nordic Business Contacts

| | |
|---|---|
| AB Jorntra<br>S-930 55 Jorn, Sweden | Lumber & Housing |
| AB Myckle Sag<br>S-931 90 Skelleftea, Sweden | Lumber |
| Norac Vattenbruk AB<br>S-93200 Skelleftea, Sweden | Fish Farming |
| AB Norrlandsvagnar<br>S-930 21 Bygdsiljum, Sweden | Mobile Buildings |
| Safac<br>S-931 36 Skelleftea, Sweden | Furniture, Tools, Hunting Clothing, Textiles |
| Sinus NYA AB<br>S-930 15 Burea, Sweden | Snowmobiles |
| Skelleftea Kraftverk<br>S-931 34 Skelleftea, Sweden | Hydro Generation |
| Utec AB<br>S-931 27 Skelleftea, Sweden | Lumber, Kilns, Sawmill Equipment |
| Expolaris<br>S-931 34 Skelleftea, Sweden | Product Marketing and Export |
| Marttiini Steel<br>SF 96300 Rovaniemi, Finland | Forestry Machinery |
| Marttiini Knives<br>SF 96300 Rovaniemi, Finland | Knives |
| Poro Ja Riista Oy<br>96910 Ronaviemi, Finland | Reindeer |
| A/L Reinslakteriet<br>9520 Kautokeino, Norway | Reindeer |
| Polarica<br>S-95300 Haparanda, Sweden | Game Products |
| Norrfrys<br>S-95300 Haparanda, Sweden | Wild Berries |
| CEO Produkter AB<br>Kiruna, Sweden | Electric Grinders, Industrial Robots |
| Kvaerner Brug A/S<br>N-0315 Oslo, Norway | Hydro Turbines |